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C O N F I D E N T I A L SECTION 01 OF 04 ABUJA 000718

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DEPT FOR AF AND DRL
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CAIRO FOR J.MAXSTADT

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TAGS: PGOV PINS EPET NI

TAGS: <u>PGOV PINS EPET NI</u> SUBJECT: NIGERIA: WARRI CRISIS COMING TO A HEAD

REF: A. DAO ABUJA IIR 6 B871 0098 03 (17APR03) _B. ABUJA 716

Classified by Ambassador Howard F. Jeter; Reasons 1.5 (b) and (d).

1.(C) Summary: In the dense mangrove swamps of Delta State, a group of perhaps 300 militant and well-armed Ijaw youths last month was able to shut down over 40 percent of Nigeria's oil production, costing over USD one billion to date. Although initially emanating from a local political dispute, this crisis is also the product of the environment of easy money, lawlessness, and ethnic chauvinism characterizing this turbulent region. As the youths continue to issue public threats to disrupt elections and attack oil facilities, the Federal Government, oil companies and even the traditional Ijaw leadership, appear stumped and unable to find a solution. Bluntly put, the GON is at an armed impasse with the Ijaw militants. Unless the Ijaws back down, the GON is likely to attack them. The countdown to military action will likely be after the elections, and that countdown may have already started. End Summary.

The Ijaw

- 2.(C) The Ijaws assert they are Nigeria's fourth largest ethnic group, numbering over 8 million. Two organizations based in Port Harcourt claim to represent the "Ijaw Nation" which spans across five states the Ijaw National Congress (INC) and Ijaw Youth Council (IYC). Historically, the INC has been more conservative. The more aggressive IYC drafted the 1998 Kaiama Declaration that called for the cessation of oil production until Ijaw political and environmental grievances were heard and addressed. There are some 22 Ijaw clans spread out across the coastal swamps of the states of Ondo, Delta, Bayelsa, Rivers, and Akwa Ibom. Only two of these are involved in the current crisis in Warri the Gbaramatu and Egbeme.
- 3.(C) The village that appears to be the base of operations for the Ijaw militants is Okenrenkoko, a former Itsekiri village on the Escravos creek in Warri Southwest. According to NGO workers who have talked to Gbaramatu youths, these militants are radicalized and are now beyond the control of traditional village or clan leaders. One NGO worker building a school in a nearby village was confronted by a Gbaramatu youth who said, "I could kill you right now and it wouldn't mean a thing to me." Older Ijaws admit these Delta creek youths are outside the traditional authority structure. They have become an anti-establishment gang.
- 4.(C) Many of these youths have been used to receiving direct payments from the oil companies to refrain from vandalizing oil installations or threatening oil companies' personnel. Disbursed under the guise of a community guard or watch program, these payments average the equivalent of \$300 per month. These widespread individual payments, coupled with the companies' continued practice of paying communities or youth groups to resolve incidents such as hostage takings or demonstrations, have underminded indigenous institutions, delegitimized traditional leaders, and created a culture of criminality. Education, vocational skills, and community elders are no longer held in high esteem; capacity to disrupt or to be violent has become the coin of the realm. Uneducated criminal youths have become the local power elite.
- 5.(C) Though the demands of these Delta State Ijaws may diverge from the aspirations of the larger Ijaw body, the INC and IYC leaders feel restrained to disagree publicly with those militants for fear of being labeled a sell-out or being the victim of reprisals. In an early April meeting with

Embassy's Corporate Responsibility Officer (CRO), the IYC President admitted that the Gbaramatu youth did not coordinate their actions with IYC leadership. However, the IYC would not condemn the Delta militants' use of force or threats to destroy oil installation; the IYC is in solidarity with their struggle, he declared.

6.(C) That struggle is somewhat hard to understand given the lack of clear leadership or representation of this anarchic armed gang in Warri Southwest. Despite repeated pleas from the government and even some Ijaw elders to stop fighting and rescind the threats to oil facilities, the Gbaramatu militants have yet to tone down their political demands for increased representation among the ten electoral wards of the Warri Southwest Local Government Area (LGA) and their grander economic demands of some control over oil company operations in "Ijaw-land." A recent statement, attributed to the group, proclaimed that "all the oil companies that vacated Ijaw territory should sign a memorandum of understanding with the Ijaw communities with respect to the development of the area advocating an inchoate yet militant nationalism. They claim the land is theirs, so the oil under it also belongs to them. Thus, they also must be included as one of the important ethnic groups in Nigeria. Instead of talking about the big three (Yoruba, Hasua-Fulani, and Igbo) there should now be the big four.

The Itsekiri

7.(C) Although fewer in number (estimated population of 300,000), the Itsekiri are the descendents of the 600 year-old Warri Kingdom. They have far greater representation in local and state political circles and, as stated recently by several Ijaw leaders, they have a more effective public relations effort, with great influence over at least one major newspaper (The Vanguard), which is owned by an Itsekiri. The are viewed as the victims in the Warri violence, and have vowed not to send the displaced Itsekiri (most currently camped in Warri and Sapele towns) back to their villagers until the Ijaw youths are subdued. House of Representatives member for the Warri area Temi Harriman (ethnic Itsekiri) and Itsekiri leader Chief Rita Lori told POLCOUNS recently that they are demanding federal action be taken to protect the "Warri Kingdom" of Itsekiri.

Boycotting and Disrupting the Vote

8.(C) All of the Gbaramatu and part of the Egbeme clan -together making up a majority of the Warri Southwest
population -- boycotted the 1999 elections and boycotted the
voters registration for the 2003 elections. Not content with
abstaining from the polls, the militant Gbaramatu and Egbeme
have sought to disrupt all polls in the three Warri LGAs.
Chief E.K. Clark, a local Warri Ijaw leader explained to CRO
that the Ijaws would not tolerate an election that would
yield inadequate Ijaw representation. (Note: Since they
failed to register although they are more numerous than the
Itsekiri, this is tantamount to saying elections should never
be held in Warri. This is another manifestation of militant
ethnic chauvinism. Since the Ijaw claim to "own" the land,
the GON has no right to hold elections that would help their
rivals, the Itsekiri. End Note)

9.(C) A violent April 11 attack on the Warri North LGA capital of Koko by Gbaramatu youth contributed to the postponement of the National Assembly elections in the three Warri area LGAs by a day. Dan Ekpedibe of the Federated Niger Delta Ijaw Communities (lately serving as the mouthpiece for the militant Gbaramatu and Egbeme youth) stated April 15 that "We are going to make sure on Saturday (April 19) there won't be any election in our area."

The Lucrative Business of Bunkering

10.(C) Both Itsekiri and Ijaw are guilty of bunkering, according to GON officials and oil company executives, but the more numerous and maritime Ijaw most likely have the lion's share of this trade in stolen oil. Tapping into Shell's pipelines and flow stations in Warri Southwest and North at night, hoses are run to small tankers and barges that come up the creeks to load the stolen crude. These sophisticated operations must be sanctioned by some senior officials in Abuja, according to Shell's MD and other GON officials. According to a GON source, Naval personnel are

also involved, but they rely on the help of well armed Ijaw militants to secure the tapped pipelines and hookup the hoses to the tankers.

11.(C) Shell claims it loses 80,000-100,000 barrels per day to this illegal bunkering. Multiple oil industry sources and ethnic leaders subscribe to the belief that the Warri crisis started as the result of a oil bunkering deal between corrupt Nigerian Navy officers and Ijaw militants gone sour: the Navy opened fire on the militants and a full fight ensued. In a recent meeting with Ambassador Jeter, President Obasanjo confirmed that Navy personnel stationed in the Warri area were involved in bunkering; he stated that the Navy Commander responsible for Warri, Titus Aweyemi, and his deputy were transferred to another post shortly after the crisis because of their involvement in this illegal trade.

Companies cautiously resume . . .

12.(C) Although the two affected oil companies -- Shell and Chevron-Texaco, have resumed limited production in Delta State, all of this is south of the Warri LGAs or off shore. The shortfall in pre-March production is running on the order of 300-400,000 barrels-per-day. While the oil companies' continue to state publicly that they are awaiting further calm in the local security situation before moving into the creeks of Warri, there may be another more powerful factor. Shell's Director for External Relations, Precious Omuku, told CRO that Shell is concerned that the Army will carry out reprisal attacks on the Ijaw soon after the April 19 elections. This view is widely shared by NGOs in the area. The recent movement of approximately 1,000 Ijaw from villages to central towns such as Warri and Obe-Ijoh -- reportedly because they fear imminent military reprisals -- add further weight to this view.

While GON pushes peace . . .

13.(C) On the surface, the Federal Government continues to show patience and restraint. The Ijaw's repeated protests that the Army is planning a reprisal attack on their communities have been met by cool reassurances from the Army spokesmen both in Abuja and in Warri that force would not be the answer to this crisis. Seeming to reinforce that message, President Obasanjo summoned Ijaw and Itsekiri leaders to Abuja for an April 7 meeting to "find a lasting solution to the Warri crisis." This "Warri Summit" led to the forming of a committee chaired by Minister of Defense Danjuma that began meeting immediately.

Power Shift Among Ijaw

- 14.(C) This crisis is not new to Delta State, but rather a close repetition of Ijaw-Itsekiri fighting that broke out almost six years to the day in early March 1997. At that time, Ijaw went on the rampage after the military administrator for Delta State changed the capital of the Warri Southwest LGA from Obe-Ijoh (Ijaw village) to Ogidigben (Itsekiri village). That outbreak of violence left many Itsekiri villages in ruins, but was resolved peacefully. (Note: The Warri Southwest LGA capital was moved back to Obe-Ijoh in 2002 as the result of Delta State Assembly legislation. end Note)
- 15.(C) The Ijaw aggressors in the current violence, however, appear more radicalized and much better armed than their brethren six years earlier. This gang of some 300 Ijaw youth are armed with new assault rifles and rocket-propelled grenade (RPG) launchers and are aided by a fleet of fast speedboats. They have made the former Itsekiri village of Okerenkoko their home. From this village situated strategically on the north bank of the Escravos Creek, they can control a major waterway while conducting attacks throughout Warri Southwest and Warri South LGAs. According to GON and oil industry sources, they barter some of their stolen oil for weapons, ensuring a steady flow of arms into the region.

The Pressures

16.(C) To date, the GON has hewed to the path of dialogue in addressing the conflict, but most observers believe this is

because it has no other choice at the moment. A large-scale attack by the Army and Navy would probably be indiscriminate and result in significant human rights violations. This would be politically costly for President Obasanjo and his PDP governor of Delta State just before elections. The two ethnic factions in this crisis, however, have little faith in a dialogue and time is not on the side of the "doves" in the GON seeking a negotiated settlement. With oil revenue losses mounting, the post-April 19 government will be under pressure to end this stalemate. During an April 17 meeting with Ambassador Jeter, Shell Managing Director Ron Van den Berg predicted a military campaign against the Ijaw soon after the April 19 elections. Indications of this have been given by Defense Minister Danjuma, who told the Ambassador on April 16 that only "overwhelming force" would resolve this problem (ref A), and by the Director of the State Security Service (SSS) who told the Ambassador April 11 that an "enforcement action" would be launched soon against the Ijaw militants (ref B).

Comment and Forecast

- 17.(C) The Warri crisis is clearly embedded in an historic inter-ethnic feud over land and resource control. The purported political demands of the lawless Ijaw youth, however, smack of attempting to place a thin veneer of legitimacy over ongoing criminal enterprises (the large-scale theft of oil). It seems illogical to demand additional electoral wards when all affected Ijaw have effectively boycotted the electoral process. The opportunity to extort the oil companies and the government through their use of force is a far more likely driving force behind the armed toughs. 80,000 bpd at \$15 per barrel would be \$1.2 million per day for the Ijaw criminals and their associates, with no production costs to cover.
- 18.(C) Ijaw elders see the looming military reprisals on the horizon but seem helpless to improve the prospects for peaceful reconciliation. The absence of alternatives is all too apparent. The GON appears to hold few prospects for the peace dialogue it started in Abuja (read reftel) while the pressures for a quick but bloody military solution mount as conditions remain unstable in the economically vital area. The only effective solution many see is force, overwhelming force.
- 19.(C) A large-scale military operation against the Ijaw is very likely in the near future, despite our own and the oil companies' best efforts to counsel restraint at the highest levels of the GON. If taken, this action will probably lack precision, resulting in human rights abuses and could again shut down Shell and Chevron-Texaco oil production.